operation immediately, perhaps, this year, in Punjab. We are trying our best to do it.

MR. CHAIRMAN: Question No. 105.

Advances to State Governments

*105. PROF. C. LAKSHMANNA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to raise the limits of the Ways and Means advances to the State Governments in order to meet the situation arising out of natural calamities;

(b) whether any requests have been received from the State Governments for raising these limits; and

(c) if so, the names of the States which have sought this facility?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) Yes, Sir. The existing limits of Ways and Means advances have been raised w.e.f. 1-3-1988. The increase will be of the order of 40 per cent over the limits existing prior to 1-10-1986.

(b) Yes, Sir.

(c) Maharashtra, Andhra Pradesh and Karnataka.

PROF. C. LAKSHMANNA: Mr. Chairman, Sir, several State Governments, particularly, Andhra Pradesh; had been pleading with the Centre for long for raising the ways and means advance limits which has been agreed to now. Similarly the States have also been asking for raising the margin money and the time-limit for reimbursement of overdrafts. Unfortunately, in regard to these two things, they have not agreed.

Now, my first question would be with regard to the ways and means advance limits. With effect from 1-3-1988, the limits of ways and means advances have been increased by 40 per cent. The hon. Minister made a statement to this effect in his Budget Speech yesterday. But the answer says here. The increase will be of the order of 40 per cent over the limits existing prior to 1-10-1986. The question, therefore, arises about the limits between 1-10-86 and 1-10-88. Does it mean that this 40 per cent increase which was announced in the Budget is not actually 40 per cent but will be less than that? Therefore, I would like the hon. Minister to state the limits available between 1-10-86 and 1.3.88. Is it more or less than the 40 per cent increase announced in the Budget yesterday?

SHRI B. K. GADHVI: Sir, there were two types of limits of the ways and means advances, one was special and the other was normal. The normal which was 20 per cent more than the normal limits prior to 1-10-86 has been raised to 40 per cent more than pre-October 1986 levels.

PROF. C. LAKSHMANNA: Before I ask my second supplementary I want a clarification. Does it mean that the advantage that will accrue to the States will not be 40 per cent in all the cases, it will be less than that in some cases? If that is the case, I think this is the way of dealing harshly with the State Governments.

SHRI B. K. GADHVI: I have said that the normal Ways and Means advances limits was increased by 20 per cent over existing limits prior to 1-10-1986. From 20 per cent it has been enhanced to 40 per cent. So, it will be 20 per cent more. When this comes into operation after the announcement, all the States taken in totality would benefit to the extent of Rs. 104.40 crores have just tried to work out the figures.

PROF. C. LAKSHMANNA: Coming to my second supplementary, the States of Maharashtra, Andhra Pra-

desh and Karnataka have asked for raising the limits of Ways and Means advances. I would like to know, what are the present limits of these three States and what would be the additional benefit that will accrue to these three States individually as a result of this 40 per cent raise.

SHRI B. K. GADHVI: So far as Andhra Pradesh is concerned, the limit stands at Rs. 75.53 crores. For Karnataka the limits stands at Rs. 53.63 crores and for Maharashtra it is Rs. 111.35 crores.

PROF. C. LAKSHMANNA: But what will be the amount after the increase of 40 per cent?

SHRI B. K. GADHVI: These are the limits as they stand today after the announcement in the Budget speech.

PROF. C. LAKSHMANNA: What was the limit yesterday and what is the amount mentioned by you? That means it is not 40 per cent. The amount was something like Rs. 63 crores or so and if 40 per cent is added, it should have been much more. (*Interruptions*). I am asking the Minister.

SHRI B. K. GADHVI: I understand your question. Probably you want to know prior to 1-10-1986.

PROF. C. LAKSHMANNA: I want to know, what was the position between the period 1-10-1986 and 1-3-1988, what was the Ways and Means advance available for Andhra Pradesh?

SHRI B. K. GADHVI: For 1-3-1988 I have given the figures.

PROF. C. LAKSHMANNA: What was the position between the two dates.

SHRI B. K. GADHVI: I have said that before this date it was Rs. 60 crores, Rs. 48 crores and Rs. 90 crores repectively for Andhra Pradesh, Karnataka and Maharashtra.

PROF. C. LAKSHMANNA: There is an increase of Rs. 15 crores *i.e.* from Rs. 60 crore to Rs. 75 crores. Can he justify that there has been an increase of 40 per cent? The nation has been assured that there will be 40 per cent raise. That assurance has not been fulfilled. On the other hand, it will be just 25 per cent increase only.

SHRI B. K. GADHVI: Sir, I can quite understand that it is very difficult for me to convince the Professor *particularly*, but what has been announced is that the normal limit has been raised by 40 per cent from 20 percent—over the pre October 1988 level.

SHRI A. G. KULKARNI: Sir, the position as it exists is that the limit of normal Ways and Means advance has been raised from 20 per cent to 40 per cent. It is quite appreciable because due to drought, every State is in a difficult resource position. But I want to know from the hon. Minister whether it is a fact that this position has come about, apart from drought, due to different financing and calculating considerations like the share of small savings and share of provident fund investments. I would like to know whether the Minister is aware that the Maharashtra Government has lost because the Finance Ministry has changed the pattern of assistance to the States, particularly of small savings and provident fund investments. I really congratulate the Minister for raising it from 20 per cent to 40 per cent, but having first made a jugglery and taken out the money in small savings from the State Governments, you have changed the pattern. Have you changed the pattern? In provident fund investments also you have changed the pattern. Why was the pattern changed? My State, Maharashtra, is suffering to the extent of

Rs. 1700 crores during the Five Year Plan. What does this mean? Will the senior Minister certify—because our Chief Minister tells us, "you don't raise this question", whereas we raise this question but you do not reply properly—that the small savings and provident fund patterns have been changed?

MR. CHAIRMAN: The question was limited to Ways and Means Advances.

SHRI A. G. KULKARNI: How does the Ways and Means Advance come in? Because we are in a difficult situation. I want to know what the Minister has to say once and for all, because our Chief Minister is pressing us.

THE MINISTER OF FINANCE AND THE MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): This question regarding provident fund accounts being transferred to the Central account is because these are mostly Central public undertakings. The provident fund is not on the State account. These are mostly Central public undertakings. So the provident fund has been deposited. These are all-India accounts; they do not pertain to one State alone.

SHRI A. G. KULKARNI: Have you changed the pattern?

SHRI NARAYAN DATT TIWARI: We had adequately tried to compensate the State Governments last year also. The hon. Chief Minister of Maharashtra had met me. Other Chief Ministers also met me. We had tried to compensate them last year, and we will try to convince them this year also.

SHRI A. G. KULKARNI: You have tried to convince them or compensate them? What does it mean? What about small savings?

SHRI NARAYAN DATT TIWARI: If the hon'ble veteran Member will look into what I said yesterday, he will see so many schemes with interest rate being increase to 11 per cent. We have taken all possible steps to mobilise small savings and help the States.

SHRI A. G. KULKARNI: Are you giving them the share?

SHRI NARAYAN DATT TIWARI: Yes, of course.

SHRI A. G. KULKARNI: Say that. That is all.

श्री जगदम्बी प्रसाद यादव : मैं, सभापति जी यह जानना चाहता हूं कि बिहार एक ऐसा स्टेट है जिसे हर साल बाढ़ और सूखा दोनों से पीड़ा होती है और वैसे भी बिहार बहुत पिछड़ा हुआ है। इसलिए मैं जानना चाहता हूं कि आपने आन्ध्र प्रदेश, महाराष्ट्र और कर्नाटक की बात बताई तो इस 40 परसेंट दावे के बाद वास्तव में बिहार की स्थिति क्या बनती है ? मैं इसलिए यह सवाल आपके सामने रखना चाहता हूं कि जो बाढ और सूखा पीड़ित क्षेत्र में सहायता मिलती है उस सहायता में आज तक जो वृद्धि होनी चाहिए वह वृद्धि नहीं हुई है और जिसके कारण उस को पीड़ा से राहत मिलनी चाहिए वह राहत अभी नहीं मिली है तो इस 40 परसेंट के बढ़ाने से सचमुच में किस प्रकार वृद्धि होगी यह जानना चाहता हूं ?

श्री बी० के० गढवी : यह तो सारे स्टेटों के वेज और मीन्स की जो सीमा है उसको बढ़ाया गया है उसके बारे में है। बिहार को जब बढ़ाया नहीं गया था तो कल तक बिहार की वेज एंड मीन्स लिमिट 47.60 करोड़ थी और आज वह हो गयी है 53.20 करोड़ नार्मली। जो हम अलग मदद देते हैं वह बिहार को भी दी गयी है।

श्री राम अवधेश सिंह : 47 से 53 कितना परसेन्ट बढ़ा? यह बिहार का सवाल है।

श्री सभापति : आप बैठ जाइये। जब आपको मौका देते है तो आप खड़े ही नहीं होते हैं। बिहार का सवाल उन्होंने पूछ लिया है। आप और वे एक ही है।

श्री राम अवधेश सिंह : उस सवाल का जवाब नहीं आया है।

श्री सभापति : जवाब तो मूल सवाल के मुताबिक ही होगा। मेन क्वेश्चन में एक बात है, लेकिन आप अगर दूसरी की सप्लीमेन्टरीज करेंगे, दूसरे सवाल पूछेंगे तो यह अन्याय होगा।

SHRI M. S. GURUPADASWAMY: Sir, I want to submit that it is a very important matter for the State Governments as it touches the financial stability of the States. The Minister has said that the cut-off date is March '86 or so, am I right? Why was that year—March, 1986—selected for this purpose?

(b) I want to know, as on yesterday or day before yesterday, what is the percentage rise as a result of the announcement that the Finance Minister made in the Budget?

(c) Further, is there any variation in the norms applied to Maharashtra, Karnataka and Andhra? As between these three States, I understand, there is variation in the norms also. I would like the Minister to explain this position.

(d) I would like to request the Minister to enhance these limits further. These limits are not adequate at all. This will not solve the financial problem of the States. May I ask him whether he is going to increase the percentage to something higher?

SHRI B. K. GADHVI: Those States which do not adhere to financial discipline—certainly their problems are not going to be solved. But those States which adhere to financial discipline, do their additional resource mobilisaton, whose expenditure also is controlled and which do not indulge in populist schemes—certainly by these methods their problems would be solved and they would be taken care of.

So far as October 1985 the Overdraft Schemes, is concerned was strictly enforced and therefore the States were not allowed to go in for overdrafts for more than 7 working days. With a view to help them the Ways and Means limits were also raised in October, 1986. Now it has been enhanced and presently the Government do not propose to enhance it by more than 40 per cent, as announced yesterday.

*106. [*The questioners (Shri Rasheed Masood and Shrimati Renuka Chowdhury) were absent. For answer*, vide col. 35 infra].

Appointment of non-official directors on the Board of Directors of Nationalised Banks

*107. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that several nationalised banks have not yet appointed non-official Directors on their Board of Directors;

(b) if so, what are the details thereof and the names of the banks which have not yet appointed non-official Directors; and

(c) what are the reasons for not appointing such Directors so far?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) A Statement is laid on the Table of the House.

Statement

Appointment of non-official Directors on the Board of Directors of